



Aditya Birla Capital reports strong results for the year ended 31st March, 2022

- Delivered highest ever consolidated profit, with strong growth across businesses
- Consolidated¹ Revenue grew 16% year on year to Rs. 23,633 Crore
- Consolidated PAT grew 51% year on year to Rs. 1,706 Crore
- Ranked amongst India’s top 100 listed companies in terms of consolidated profitability²
- Active customer base at 35 million (up 36% year on year) aided by focus on granular retail growth across all businesses
- With Rs. 3,70,608 Crore in AUM, Rs. 67,185 Crore of lending book and Rs. 13,867 Crore of total insurance premium, ABC has built significant scale across the platform

		Rs. Crore				
Quarter 4		Consolidated Results		Full Year		
	FY21	FY22	Particulars	FY 21	FY 22	
↑ 18%	5,920	6,962	Revenue ¹	20,453	23,633	↑ 16%
↑ 20%	375	450	Profit after Tax (after minority interest)	1,127	1,706	↑ 51%

Mumbai, 12th May 2022: Aditya Birla Capital Limited (“The Company”) announced its audited financial results for the quarter and year ended 31st March 2022.

In FY2021-22, The Consolidated Revenue¹ of the Company grew 16% year on year to Rs. 23,633 Crore. The consolidated profit after tax (after minority interest) grew 51% year on year, to Rs. 1,706 Crore, the highest ever recorded by the Company. The reported consolidated PAT includes a net gain of Rs. 161 Crore from the sale of ~1% stake of the Company’s 51% stake in ABSLAMC, through its IPO in October 2021.

During Q4 FY2021-22, the consolidated revenue grew 18% year on year to Rs. 6,962 Crore and profit after tax increased by 20% year on year to Rs. 450 Crore.

The Company’s retailisation strategy has led to the active customer base growing to a significant ~ 35 million, a 36% year on year growth. The scale achieved by the Company’s subsidiaries is evident, with overall AUM across asset management, life insurance and health insurance businesses growing 10% year on year, to Rs. 3,70,608 Crore, making it one of the largest fund managers in the country. The overall lending book (NBFC and Housing Finance) grew 11% year on year, to Rs. 67,189 Crore, making it a lending portfolio of scale. The gross premium (across Life and Health Insurance) grew 25% year on year to Rs. 13,867 Crore, reflecting the scale in the insurance businesses.

Mr Ajay Srinivasan, Chief Executive, Aditya Birla Capital Limited, said “The Company has built an integrated platform with high quality, significant scale and a retail franchise of ~ 35 million active customers. We have tripled our profits over the last 5 years and nearly doubled our profit over the last two years, in spite of the several external challenges. Our integrated and diversified model backed by our motivated teams have helped us deliver consistent growth in profitability across economic cycles and record results this fiscal. The Company is well placed to capitalise on its strong franchise and the future opportunities in the financial services space”

¹ Aditya Birla Sun Life AMC Ltd. and Aditya Birla Wellness Pvt. Ltd. consolidated based on equity accounting under Ind AS, Consolidated Revenue shown above financial table includes revenues from these two businesses on a 100% basis to show holistic financial performance

² Rank calculated based on FY22 results announced / trailing 12 months profitability based on availability of data

The performance highlights of the key subsidiaries of Aditya Birla Capital Limited are:

Lending:

- Overall lending book (NBFC and Housing) grew 11% year on year, to Rs. 67,185 Crore
- Strong focus on retailisation, with total active customer base at over 3.7 million
- Retail, SME and HNI segments now account for 68% of the total lending book
- Strong funding access and amongst top decile in term of cost of borrowing in the industry
- Raised over Rs. 15,900 Crore of long-term funds in FY22

NBFC business:

- Overall loan book grew 13% year on year to Rs. 55,180 Crore while Retail, SME and HNI loan book grew 25% year on year, leading to its contribution in the overall book being the highest ever at 62% as on March 22, vis-à-vis 56% in the previous year
- Strong momentum in gross disbursement at Rs. 9,891 Crore in Q4 FY22, up 51% year on year and 49% quarter on quarter; in line with the business's focus, Retail, SME and HNI contributed 65% of Q4 FY22 gross disbursements
- Highest ever net interest margin at 6.25%, expanding by 91 bps year on year, led by growth in retail and SME segments and lower cost of borrowing
- Strong improvement in quality of assets with Gross stage 3 reduced by 79 bps quarter on quarter to 3.1% from 3.9% in the previous quarter
- Profit before tax at Rs. 1,487 Crore in FY22, reflecting a growth of 44% year on year
- Strong growth in return on assets at 2.3%, compared to 1.7% a year ago

Housing Finance business:

- Loan book up at Rs.12,005 Crore, with 94% retail mix
- Strong growth in gross disbursal at Rs. 1,310 Crore in Q4 FY22, with a year on year growth of 16%; in line with the business focus, the affordable housing segment contributed 47% of disbursements
- Affordable housing book grew 39% to Rs. 4,510 Crore leading to increase in affordable mix at 38%, against 27% in the previous year
- Highest ever net interest margin at 4.24%, expanded by 101 bps, year on year
- Improvement in quality of assets with Gross stage 3 reduced by 10 bps quarter on quarter to 2.02%
- Profit before tax at Rs. 253 Crore, reflecting strong growth of 44% over the previous year
- Strong return on assets at 1.90%, compared to 1.25% in the previous year

Asset Management:

- Strong growth in assets under management with annual average AUM (AAUM) at Rs. 3,07,409 Crore AUM, growing by 9% year on year
- Overall domestic annual average assets under management (AAUM) grew by 10% year on year, to Rs. 2,95,805 Crore and domestic equity AAUM grew by 25% year on year, to Rs. 1,20,993 Crore
- In line with the ABSLAMC's focus, domestic equity mix expanded to 41% of AUM, compared to 36% in the previous year with continued growth in SIP flows and folios
- Continued focus on building retail customer franchise with a total of 7.9 million folios; added ~ 1.3 million folios in FY22 alone

- With our focus on growing alternate asset segment, passive AUM crossed Rs. 9,000 Crore
- Profit before tax at Rs. 895 Crore, reflecting 29% year on year growth
- PBT/AAUM moved up to 30.6 bps, from 28.5 bps in the previous year

Insurance:

- Total gross written premium of life insurance and health insurance grew 25% year on year, to Rs. 13,867 Crore in FY22

Life Insurance business:

- Individual First Year Premium (FYP) grew 14% year on year to Rs. 2,212 Crore
- Group business grew 30% year on year to Rs. 3,223 Crore
- Renewal premium grew 24% year on year, to Rs. 6,475 Crore in FY22, out of which 73% was collected digitally
- Total gross premium up 24% year on year, to 12,140 Crore
- Consistent improvement in 13th month persistency to 85% compared to 82% a year ago
- Delivered highest ever net VNB margin at 15% in FY22, expanded by a significant 439 bps year on year
- Sharp reduction in Opex to premium ratio from 13.9% in FY21 to 12.7% in FY22
- Profit before tax grew 15% year on year, to Rs. 175 Crore
- Embedded value at Rs. 7,609 Crore, growing by 18% year on year

Health Insurance business:

- Gross written premium at Rs. 1,727 Crore; grew 33% year on year, with retail and rural contributing 76% of total business
- Achieved break even in Q4 FY22 (excluding COVID claims), in line with guidance and well ahead of the industry
- Business now covering 19 million lives, out of which over 14 million lives are through micro and byte size products
- Business continues to build scale with focus on expenses, leading to improvement in combined ratio (normalized for COVID claims), at 109% vs. 120% in the previous year
- Robust digital enablement, with 98% policies issued digitally

Other businesses:

- Profit before tax for the other financial services businesses under ABC grew 46% year on year to Rs. 190 Crore, from Rs. 130 Crore in the previous year reflecting the focus on portfolio optimisation
 - General Insurance broking profit before tax grew 22% year on year to an all time high of Rs. 86 Crore
 - Stressed assets platform profit before tax grew 43% year on year, to Rs. 52 Crore
 - Stock and Securities broking business achieved highest ever profit before tax, grew 59% year on year, to Rs. 36 Crore

Going forward:

- Focus on maximising value of active customer base of 35 million while looking to continue to drive customer acquisition at scale through partnerships and organically
- Leveraging technology and analytics to grow revenue per customer, improve customer experience, optimise costs, and build robust and scalable systems

About Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is the holding company for the financial services businesses of the Aditya Birla Group. With subsidiaries that have a strong presence across Protecting, Investing and Financing solutions, ABCL is a financial solutions group that caters to diverse needs of its customers across their life cycle. Powered with more than 30,500 employees, the subsidiaries of ABCL have a nationwide reach with 1048 branches and more than 2,00,000 agents/channel partners and several bank partners.

Aditya Birla Capital Limited is a part of the Aditya Birla Group, in the league of Fortune 500. Anchored by an extraordinary force of over 140,000 employees, belonging to 100 nationalities, the Aditya Birla Group operates in 36 countries across the globe.

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Aditya Birla Capital Limited

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